

**MINUTES OF THE
JOINT CAPITAL FACILITIES & GOVERNMENT OPERATIONS
APPROPRIATIONS SUBCOMMITTEE MEETING
WEDNESDAY, FEBRUARY 6, 2008, 2:00 P.M.
Room C450, State Capitol Complex**

Members Present: Sen. Scott K. Jenkins, Committee Co-Chair
Rep. Kevin S. Garn, Committee Co-Chair
Sen. Sheldon L. Killpack
Sen. Darin G. Peterson
Rep. DeMar “Bud” Bowman
Rep. Rebecca Chavez-Houck
Rep. Stephen D. Clark
Rep. Janice M. Fisher
Rep. Fred R. Hunsaker
Rep. Gordon E. Snow
Rep. Mark W. Walker
Rep. Bradley A. Winn

Members Excused: Sen. Mike Dmitrich

Staff Present: Steve Allred, Fiscal Analyst
Richard Amon, Fiscal Analyst
Greta Rodebush, Committee Secretary

Public Speakers Present: John Freeman, Director of Operations, DABC
Kent Beers, Deputy Director, Division of Facilities Construction
and Management
Rep. Neal B. Hendrickson
Brad Harmon, Days of 47
Rep. Larry B. Wiley
Mark Danenhauer, Utah Rivers Council
Richard Bey, Jordan Valley Water District
D. Gregg Buxton, Director, Division of Facilities Construction
and Management
Rep. Roz McGee
Tom Patterson, Executive Director, Department of Corrections
Greg Peay, Facilities Manager, Department of Corrections
Dallas Earnshaw, Superintendent, Utah State Hospital
Sen. Dennis Stowell
Sarah George, Vice President, Utah Museum of Natural History
Clark Giles, President, M. Eccles Jones Foundation
Chris Eisenberg, Capital Campaign Manager, Utah Museum of
Natural History

Alyn Lunceford, Courts Administration
Judge Kathleen Nelson, 2nd District Juvenile Court
Beani Martinez, 2nd District Juvenile Court
General Brian Tarbet, Utah National Guard
Colonel Scott Olson, Utah National Guard
Steve Fletcher, CIO, Department of Technology Services
David Hart, Executive Director, Capitol Preservation Board
Mary Tullius, Director, State Parks and Recreation

A list of visitors and a copy of handouts are filed with the Subcommittee minutes.

Co-Chair Garn called the meeting to order at 2:05 p.m.

1. Welcome

Co-Chair Garn welcomed everyone to the meeting.

2. Approve Minutes of Monday, February 4, 2008

A motion was not taken on the minutes for February 4, 2008 at this time.

3. Continuation of Prior Subcommittee Business

a. DABC Liquor Stores

John Freeman, Deputy Director, DABC, introduced Kent Beers, Assistant Director, DFCM, who provided the committee with the handout: "Added Cost of Materials used to Construct Liquor Stores." This information fulfills the committee's request for information on the added costs that are due to compliance with DFCM's design/construction standards and agency requests.

b. SUU Capital Project Request

Rep. Bowman stated that he would like to make a motion in regards to the SUU Capital Project request just as soon as a quorum was present.

c. Other Unfinished Business

Rich Amon, LFA, commented on the "GOPB In-depth Budget Review Memorandum," dated February 6, 2008. The Utah Code states that an appropriations

review the subcommittee may recommend to Legislative Management Committee that the Governor's Office of Planning and Budget, GOPB, conduct an in-depth budget of a state department, agency, institution, or program. Mr. Amon indicated that the memorandum lists a few programs and divisions that the Subcommittee may wish to assign GOPB.

make No action was taken at this time. Mr. Amon stated that this item would be included on the agenda for the February 7, 2008 meeting should the committee choose to make any recommendations.

4. Requests for Appropriation

- a. Parks Building in Fillmore - Sen. Dennis Stowell (delayed)**
- b. H.B. 137, State Facility Water Conservation Program - Rep. Larry Wiley (delayed)**
- c. H.B. 130, State Ethics Commission - Rep. Roz McGee - (delayed)**
- d. State Fair Rodeo Arena - Rep. Hendrickson**

Rep. Hendrickson asked the committee to renew revenue bonding authority which would allow the State Fair Park to either improve existing facilities or build a new arena to accommodate equestrian events and the Days of 47 Rodeo. He indicated that a feasibility study was available that indicates that the Fair Park could sustain the revenue bond.

Brad Harmon, President, Days of 47 Rodeo, spoke in favor of the arena.

Co-Chair Garn stated that the committee would follow up on this request and ask counsel to determine if in fact the revenue bonding authority had expired.

Co-Chair Garn entertained a motion to approve the minutes.

MOTION: Co-Chair Jenkins moved to approve the minutes of the meeting held Monday, February 4, 2008.

The motion passed unanimously with Sen. Killpack, Rep. Chavez-Houck, Rep. Snow, and Rep. Winn absent for the vote.

Co-Chair Garn entertained a motion on DABC Liquor Stores.

MOTION: Co-Chair Jenkins moved to approve five DABC Liquor Stores. The motion passed unanimously with Sen. Killpack, Rep. Chavez-Houck, Rep. Snow, and Rep. Winn absent for the vote.

Co-Chair Garn recognized Rep. Bud Bowman who spoke to the SUU Capital Project Request. He made the following motion:

MOTION: Rep. Bowman moved to approve Southern Utah University's request to use private donations to plan and design an addition to the Science Center, with the provision that such approval does not guarantee nor improve the chances for legislative approval of the remainder of the building in any subsequent year. He further moved that this language be drafted into the Capital Facilities Authorization bill. The motion passed with Sen. Killpack, Rep. Chavez-Houck, and Rep. Snow absent for the vote.

4. Requests for Appropriation (continued)

b. H.B. 137, State Facility Water Conservation Program - Rep. Larry Wiley

Rep. Wiley presented a request for \$500,000 General Fund ongoing, for the Division of Water Resources to implement water conservation projects, both indoor and outdoor, at existing state facilities. The Division will work in collaboration with the Division of Facilities Construction and Management. A handout was provided with examples of potential water conservation projects at state facilities. The State's goal is to reduce per capita water use by 25 percent by the year 2050.

Mark Danenhauer, Utah Rivers Council, expressed support for H.B. 137 and emphasized that water conservation measures save water, money, and is cost effective.

Richard Bey, General Manager, Jordan Valley Water Conservancy District, commented on population growth and increases in water use. He highlighted a number of conservation programs that the Jordan Valley Water Conservancy District is involved with and urged the committee to support H.B. 137.

Co-Chair Garn directed Steve Allred, LFA, to add H.B. 137, State Facility Water Conservation to the priority list.

c. H.B. 130, State Ethics Commission - Rep. McGee

Rep. McGee explained the need for an independent State Ethics Commission. She stated that a majority of Utah residents support creating a commission to investigate complaints against state elected officials. The funding request of \$11,000 one-time in FY 2008 will be used to establish the Commission, and \$157,400 ongoing, to hire and maintain staff.

Co-Chair Garn directed Mr. Allred to add H.B. 130, State Ethics Commission to the priority list.

d. State Fair Rodeo Arena - Rep. Hendrickson (heard previously)

e. Swanson Proposal - Sen. Jenkins

Sen. Jenkins explained that the Swanson Foundation proposal will support the completion of a Tactical Training Center for police in the Business Depot Odgen. The funding request is \$2 million one-time in FY 2008.

Co-Chair Garn directed Mr. Allred to add the Swanson Proposal to the priority list as well.

5. State Agency State-Funded Building Requests

a. Multi-Agency Salt Lake Government Office Building

Kent Beers, Deputy Director, DFCM, presented the request for a new Multi-Agency Salt Lake Government Office Building (DHS & DEQ Building), and explained that this was the State Building Board's number one-prioritized project. The cost of this project is \$51,500,000.

Gregg Buxton, Director, Division of Facilities Construction and Management, was available to answer questions.

b. Corrections Gunnison Prison Expansion

Tom Patterson, Executive Director, Department of Corrections, presented the request to build out two pods (West 1 and West 2) at the Gunnison Prison. He pointed out that according to projected prison population growth, the West 2 (288 bed facility) will be needed as early as December 2011, only 11 months after the opening of the West 1 facility (192 beds). By funding both projects in 2008, an estimated savings of \$6 million will be saved in construction costs. Total project cost is \$77.3 million.

Greg Peay, Facilities Manager, Department of Corrections, responded to committee questions on construction costs.

4. Requests for Appropriation (resumed)

a. Parks Building in Fillmore - Sen. Stowell

Sen. Stowell presented the Department of Park's and Recreation request to remodel a storage building in Fillmore that the City has an interest in using. The request is for \$750,000.

Rep. Hunsaker asked if this request qualifies as a capital improvement project. Sen. Stowell stated that it did. Rep. Hunsaker suggested that perhaps this project could be put on DFCM's priority list. Kent Beers, DFCM, noted that DFCM was still in the process of formulating the priorities list, and that Parks and Recreation still had time to submit a request.

Sen. Stowell also pointed out that federal funding would be available in 2009 if there were matching state monies.

5. State Agency State-Funded Building Requests (resumed)

c. Human Services State Hospital Buildings

Dallas Earnshaw, Superintendent, Utah State Hospital gave an overview of the current building conditions of the Utah State Hospital. He highlighted many essential services housed in the building and explained that a new building will be designed with flexibility for future needs. The replacement hospital would be built adjacent to the present facility which would continue to provide services until the new building was completed.

Mr. Earnshaw responded to Sen. Killpack's inquiry about doing an RFP to determine if private providers would be interested in offering these services and undertaking building replacement as needed. He indicated that studies show that this has not been cost effective and that it is better to leave this to the public sector. Sen. Killpack stated that he would like to look at some of the studies and compare it to other data.

d. Utah Museum of Natural History Building

Sarah George, Director of the Museum of Natural History, gave an overview of

the proposed new Museum of Natural History, to be located adjacent to This is the Place Heritage State Park. She was assisted by Clark Giles, President, M. Eccles Jones Foundation, who noted significant funding contributions from the Foundation, U.S. Congress, and the University of Utah. A state match of \$30 million was requested for 2008 in order to meet a sunset of authorized federal funds next year.

e. Courts Ogden Juvenile Court

Alyn Lunceford, presented the request for a new Juvenile Court to be located on a 4.0 acre site in Ogden. He explained that this is the Judicial Council's number one physical facilities priority this year. He introduced Judge Kathleen Nelson, 2nd District Juvenile Court, and Beani Martinez, Trial Court Executive, 2nd District Juvenile Court. The funding request is \$29,071,000 (\$3,251,300 - land purchase, and \$25,819,700 - building construction).

f. National Guard Armories Upgrade

Col. Scott Olson explained the Utah National Guard's Capital Facilities request for \$12 million to repair and replace outdated armories. Common problems in older armories include failing structural integrity, infrastructure systems failure, energy inefficiency, communications upgrades, and roof systems. Three critical projects have been identified: American Fork, Springville, and West Jordan expansion, with American Fork being the top project.

General Tarbet spoke on the importance of providing adequate capital facilities for the Utah National Guard not only for the present but for the future as well. He responded to committee questions.

g. Technology Services Richfield Alternate Data Center/Business Continuity

Steve Fletcher explained the request to expand the Richfield Alternate Data Center to meet increase usage which is expected to reach capacity in 2010. The building was built for expansion to three times its original size and the request will allow DTS to execute the next phase of construction. The funding request is for \$6,783,000.

Mr. Fletcher also explained the handout: "DTS Business Continuity Building Block Detail" which identifies the first tier of information systems that need to be upgraded to remain operational or reconstituted in the initial 24 hours immediately following a disaster event.

h. Capitol Preservation Board Capitol Hill Projects

David Hart, Executive Director, Capitol Preservation Board, presented two requests. The first request is to remodel of the Senate and House Buildings to better utilize the space for legislative offices, committee rooms, expansion of dining services, and 26 parking stalls. The total cost of the remodel is \$8.7 million. The Board is looking to reduce those costs through changes in design. Since \$3.5 million had been set aside in the original budget, the Board's request was for \$5.5 million.

The second request is for the design and construction a new State Office Building at the cost of \$93 million. This project will complete the overall master plan for the State Capitol Complex. Additional costs associated with the State Office Building include: furniture and fixtures, isolation of the data processing center, and the temporary space build out of the Multi-Agency Salt Lake Government Office Building for a total cost of \$106 million.

Mr. Hart indicated that the budget request will be \$2 million in FY 2009 to be used for study and analysis, and \$100,000 in FY 2010 to begin implement construction.

Rep. Clark asked if any surplus money left over from the Senate and House Buildings (East/West Buildings) remodel could be used to do the initial study, and if so, would the Capitol Preservation Board need authorization to do so.

Co-Chair Garn directed staff to prepare some intent language that states that any surplus money that comes from the construction of the Capitol, including the remodel of the East/West Buildings, be used for the Executive Office Building Replacement Study.

Co-Chair Garn stated that the Capital Hill Projects would be placed on the priority list.

i. Natural Resources State Parks Bear Lake Marina

Mary Tullius, Director, Utah Division of Parks and Recreation, presented the Bear Lake Marina Expansion Project. Improvements to the marina will include additional boating facilities, improved recreational access to the lake, and additional parking. Currently, the marina is operating at 150% capacity on the weekends and near capacity during the week. Over 6,000 building permits have been issued in the area which will stimulate growth in the area and usage of the marina. The request for funding is for \$12 million.

the Ms. Tullius responded to committee member questions on the long term effects on ecosystem. She pointed that a resource management plan is in place addresses some of those issues. She stated that the lake is stable at this point in time but if the project were funded, some of those monies would go in to further study.

Co-Chair Garn suggested that a revenue bond might help fund this project. Ms. Tullius stated that a revenue bond analysis shows that this will not work.

Rep. Fisher expressed an interest in having the Days of 47 placed on the priorities list for consideration. Co-Chair Garn stated that a revenue bond had been requested, and that at this point in time, the committee did not have sufficient information to authorize one.

Co-Chair Garn entertained a motion to adjourn.

MOTION: Rep. Bowman moved to adjourn the meeting. The motion passed unanimously.

Co-Chair Garn adjourned the meeting at 4:37 p.m.

Sen. Scott K. Jenkins
Committee Co-Chair

Rep. Kevin Garn
Committee Co-Chair